

Wheat Domestic Fundamentals:

All India average wheat price recovers once again and increased by 1.62 percent to Rs 1801.05 per qtl. during the week ended 23rd July-2016..Wheat average price was ruling at Rs 1772.26 per qtl in the second week of July. Arrival continues to decrease and private buyers remain active above Rs 1700-Rs1725 per qtl..All India average price is higher by 7.71 % in comparison to price (Rs 1672.11 per qtl.) registered in the third week of July, 2015.

Wheat cash market traded mixed despite improved supply from central pool stock and weak demand from south Indian millers as import continues. Private trades too have started offloading stock taking clue from weak futures. However, any major dip from current level is unlikely. Cash market is expected to trade stable to firm due to seasonal factors like festive demand and decreased arrivals in major bench mark markets..

Wheat import continues from Ukraine in the second week of July. India imported 18495.575 tonne wheat from Ukraine landed at Tuticorin port during the week ended 17th ,July-2016.It has been imported at \$191.94per tonne on CiF basis. India had imported 11,000 tonne wheat in the first week of July from same origin at sam price. More vessels are expected from Ukraine/France and Autralia in August and September this year. Over one million tonne import deal has been finalized so far.

Wheat export from India continues with limited quantity as parity is not in favor of India. India exported 648.51 tonne wheat during week ended 17th July-2016 at an average FoB of \$339.42 per tonne. India had exported 3466.31 tonne wheat at an average price of \$339.42 per tonne. As prices in global market are very attractive opportunity for Indian exporters remains limited. There is no hope for any smart recovery at export front.

Market sources say that two consignments from France are expected next month.As prices in domestic market rule higher, south Indian millers would continue to import.Over 1 million tonne import deals have already been struck so far.Beginning of import would decrease demand from south Indian millers and it will put pressure on wheat price in central and north India.

As per normal stock norms, India need 245 lakh tonne wheat as on 1st July as operational stock while 30 lakh tonne as strategic reserve.So, total requirements bring it to 275 lakh tonne. Against this total availability is around 326 lakh tonne,higher by 51 lakh tonne. So there is no panic at supply front and govt is able to release stock as per market needs as and when it requires.

Reserve price for bulk sale is Rs 1640 per qtl. and for dedicated movement sale reserve price will be calculated after adding handling and transportation charges from FCI depot to loading in Railway Rake. Weekly auction will begin from 4th July-2016 in MP region. Sale would be conducted(As is where is basis. Detailed tender form will be uploaded on every Monday on FCI website.For more information interested parties may log on to <http://fciweb.nic.in/>

International Market Update:

Black sea region wheat prices continue to reel under pressure due to incoming huge crop in Russia,Ukraine and weak global market.There is a glut like condition in Argentina,Canada,US and Australia.All exporting countries have enough marketing surplus from last year's crop while new crop started hitting the market in black sea region and US.Actually , buyers are in bargaining seat and they have options to source wheat from many sources.Russian wheat prices have decreased to \$165 per tonne and pressure may continue in coming weeks.

IGC has revised wheat production projection up by 7MMT from722 to729 MMT in 1st,July-2016 for crop year2016-17. According to IGC global wheat production for 2016-17may touch 729 MMT against 736 forecast for 2015-16. The difference is around 7 MMT from previous year.

Domestic market Outlook:Wheat cash market is likely to trade stable to firm.

Wheat Futures Contact: NCDEX Price							Date:22.07.2016		
Contract Month	Ch from previous day	Open	High	Low	Close	Vol.	Ch. From previous day	OI	Ch. From previous day
16-Aug	-4.00	1746.00	1746.00	1735.00	1739.00	770	-420	30960	0
16-Sep	-7.00	1765.00	1768.00	1762.00	1763.00	280	-330	4400	100
16-Oct	-8.00	1795.00	1795.00	1786.00	1789.00	140	70	670	20

Spread	Aug-16	Sep-16	Oct-16	
Spot Narella				
16-Aug	44			
16-Sep		24		
16-Oct			26	

Stocks	Demat	In- Process	Total	FED
	21.July.16	21.July.16	21.July.16	18.July.16
Delhi	911	0	911	1332
Itarsi	-	-	-	-
Kanpur	-	-	-	-
Kota	15056	0	15056	17307
Rajkot	-	-	-	-

Wheat Daily Prices and Arrivals on 22.07.2016

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jul-16	21-Jul-16	
Delhi	Lawrence Road	Mill Delivery	1775	1770	5
	Narella	Mill Quality Loose	1695	1690	5
	Nazafgarh	Mill Quality Loose	1680	1700	-20
Gujarat	Rajkot	Mill Delivery	1740	1735	5
	Ahmedabad	Mill Delivery	1880	1880	Unch
	Surat	Mill Delivery	1910	1915	-5
	Dhrol	Mill Quality Loose	NR	2060	-
M.P.	Indore	Mill Delivery	1750	1750	Unch
	Bhopal	Mill Quality Loose	1750	1740	10
Rajasthan	Kota	Mill Quality Loose	1670	1670	Unch
		Mill Delivery	1750	1750	Unch
U.P.	Kanpur	Mill Delivery	NR	NR	-
	Mathura	Mill Quality Loose	1625	NR	-
	Kosi	Mill Quality Loose	1610	1625	-15
	Hathras	Mill Quality Loose	1635	1625	10
	Aligarh	Mill Quality Loose	NR	1600	-
Punjab	Khanna	Mill Quality Loose	1610	1600	10
	Ludhiana (Jagraon)	Mill Delivery	NA	NA	-
Haryana	Sirsa	Mill Delivery loose	1660	1665	-5
	Hodal	Mill Delivery	1770	1770	Unch
	Bhiwani	Mill Quality Loose	1680	1700	-20
	Karnal	Mill Delivery	1675	1670	5
	Panipat	Mill Quality Loose	NA	NA	-
Tamil Nadu	Chennai	Mill Quality	2100	2100	Unch
	Madurai	Mill Quality	2157	2157	Unch
	Coimbatore	Mill Quality	2157	2157	Unch
Bihar	Khagariya	Mill Delivery	1700	1700	Unch

	Muzaffarpur	Mill Delivery	1725	1720	5
FOR	Kandla (Rajasthan-Rajkot)	Mill Quality	NR	NR	-
	Gandhidham (Rajasthan-Rajkot)	Mill Quality	NR	NR	-

Centre	Market	Variety	Prices (Rs/Qtl)		Change
			22-Jul-16	21-Jul-16	
Gujarat	Rajkot	Lokwan	2000	2000	Unch
M.P.	Indore	Lokwan	2200	2200	Unch
	Bhopal	Lokwan	1900	1850	50
	Bina	Sarbati 306	2300	2300	Unch
Rajasthan	Kota	LokwanBilty	NR	NR	-
	Baran	Lokwan	NR	1825	-

Wheat Arrivals in Key Centers:					
Centre	Market	Variety	Arrivals (Bags/Qtl)		Change
			22-Jul-16	21-Jul-16	
Delhi	Lawrence Road	Mill Delivery	1000	5000	-4000
	Narella	Mill Quality Loose	300	250	50
	Nazafgarh	Mill Quality Loose	300	200	100
Gujarat	Rajkot	Mill Quality Loose	1000	700	300
	Dhrol	Mill Quality Loose	NR	12	-
M.P.	Indore	Mill Quality Loose	1000	1500	-500
Rajasthan	Kota	Mill Quality	3000	3000	Unch
U.P.	Kanpur	Mill Quality Loose	10500	NR	-
	Mathura	Mill Quality Loose	250	NR	-
	Kosi	Mill Quality Loose	400	700	-300
	Hathras	Mill Quality Loose	150	NA	-
	Aligarh	Mill Quality Loose	NR	2000	-
Punjab	Khanna	Mill Quality Loose	200	200	Unch
	(Ludhiana)Jagraon	Mill Quality Loose	NA	NA	-
Haryana	Sirsa	Mill Quality Loose	200	200	Unch
	Hodal	Mill Quality Loose	100	50	50
	Bhiwani	Mill Quality Loose	500	600	-100
	Karnal	Mill Delivery	NA	NA	-
	Panipat	Mill Quality Loose	NA	NA	-

Wheat Products Delhi			22-Jul-16	21-Jul-16	Change
Atta (50kg) Ordinary			975	975	Unch
Maida Grade 1 (50KG)			1315	1315	Unch
Suji (50kg)			1365	1365	Unch

Chokar (50 kg)	704	649	55
Chokar (34 kg)	478	432	46
Chakki Atta (50kg)	1000	1000	Unch
Chakki Atta (50kg) Special	1075	1075	Unch
Chakki Atta (90kg) Superfine	1942	1942	Unch
Chakki Atta (50kg) Superfine	1060	1060	Unch

Wheat (CBOT) Future Price: 21.7.2016					
Contract Month	Open	High	Low	Close	Change
Sep-16	414.00	419.75	408.75	417.75	4.75
Dec-16	435.50	442.75	432.75	441.25	5.25
Mar-17	459.50	465.75	456.00	464.50	5.50
May-17	474.00	478.50	469.00	477.00	4.50
Jul-17	482.00	486.50	479.50	485.25	3.25
Sep-17	496.50	498.25	492.50	497.25	2.50

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